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Letter dated 3 October 2002 from the President of the Governing Council of the United Nations Compensation Commission addressed to the President of the Security Council

The Governing Council of the United Nations Compensation Commission has concluded its forty-fifth session, which was held at Geneva from 1 to 3 October 2002. A meeting of the Committee on Administrative Matters was held on 2 October 2002.

Representatives of Kuwait, Iraq, the Islamic Republic of Iran, the Philippines and Palestine addressed the Council during the opening plenary meeting of the session. The statements of the delegations are being sent by mail with the original of this letter.

During the session the Council considered seven reports and recommendations made by the Panels of Commissioners in the D, E2, E3, E4, F4 and E/F categories of claims. The report on category D claims concerns the review of individual claims for damages above US$ 100,000; the report on category E2 claims concerns the review of claims filed on behalf of corporations and other business entities not incorporated in Kuwait; the report on category E3 claims concerns the review of non-Kuwaiti construction and engineering claims; the reports on category E4 claims concern the review of Kuwaiti corporate claims; the report on category F4 claims concerns the review of environmental claims; and the report on category E/F claims concerns the review of insurance claims submitted under category E. The tables provide details of the amounts of compensation claimed in the reports and the amounts awarded by the Governing Council. The total amount awarded in all of the reports approved at this session is approximately $1 billion. The Council also considered the special report and recommendations made by the E4 and E4A Panels concerning overlapping claims, which cover 18 claims in category E4 that were re-examined in order to identify whether any overlap existed between those claims and claims in categories C and D for corporate losses related to the E4 claimant, pursuant to Governing Council decision 123. Adjustments were made to the amounts previously recommended for the E4 claimants where appropriate with respect to the claims covered in the report.

The Governing Council considered the report of the Executive Secretary: summary of activities, covering the period from 1 May to 31 July 2002. The report covers the processing of claims, the withdrawal of claims, and the payment of approved claims.

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The Council discussed several issues relating to the processing and payment of claims, including the nineteenth report of the Executive Secretary pursuant to article 41 of the Provisional Rules for Claims Procedure, and approved corrections to certain category A, C and D claims.

The Council continued its consideration of the recommendations of the Board of Auditors made in its report dated 18 July 2002. In particular, the Council discussed the Board's recommendation regarding controls on the distribution of funds, and requiring the Governments that have received funds for distribution to successful claimants to provide an audit certificate in addition to the other requirements of Governing Council decision 18. The Council also discussed the recommendation of the Board of Auditors on the establishment of an audit committee in the light of an information note by the secretariat on this issue dated 25 September 2002. The Council continued its consideration of various audit issues relating to internal oversight by the Office of Internal Oversight Services, including the appointment of a second auditor and the recommendations of the Office of Internal Oversight Services with respect to the report and recommendations made by the Panel of Commissioners concerning the first instalment of F2 claims.

The Council recommended that these issues, as well as all of the other recommendations contained in the report of the Board of Auditors, be referred to a future informal meeting of the Working Group for further consideration, and for consideration at the next session of the Governing Council.

The Council continued its discussion of the issue of a records retention and disposal policy for the Compensation Commission. The Council noted that this issue remains under review and referred the matter to a future informal meeting of the Working Group for its further consideration in the light of further information to be provided by the secretariat.

The Council continued its consideration of the request of the Government of the Syrian Arab Republic that an issue relating to a category E corporate claim filed by the Government of Israel be brought to the Council's attention. The Council referred this matter to a future informal meeting for the Working Group's further consideration, and for further consideration at the next session of the Governing Council, to be held in December 2002. The delegation of the Syrian Arab Republic requested that this matter be given priority in any future discussions.

The Council continued its consideration of the request made by the Government of Lebanon concerning the late filing of a number of category A and C claims. Having considered all of the issues and information, and being concerned that those individuals perhaps had not had a full and effective opportunity to file claims within the relevant filing deadline, the Council decided that the "late" claims of the 16 claimants of Lebanon would be put before the D1 Panel of Commissioners, who shall review the claims if they determine in each case that the claimant did not have a full and effective opportunity to file the claim within the filing deadline set by the Governing Council. In deciding whether these claims should be accepted for "late filing", the D1 Panel of Commissioners shall take into account the particular circumstances of these claimants and whether they qualify for late filing under the established criteria, namely the existence of a war situation or civil disorder and evidence of a prior attempt by the claimant to file the claim within the relevant filing deadlines.

The Council considered the requests made by the delegations of the Islamic Republic of Iran and the Philippines at the opening plenary meeting of the session concerning the late filing of claims. The Council requested the secretariat to prepare an information note on these requests and referred the matter to a future informal meeting of the Working Group for its further consideration.

The Council considered and took note of the report of the Executive Secretary on the distribution of payments and transparency, and the return of undistributed funds, and requested the secretariat to continue to inform the Council of the reports of Governments and international organizations on the distribution of payments and the return of undistributed funds.

The Council also heard a report on the meeting of the Committee on Administrative Matters, which was held on 2 October 2002 to consider the request of the secretariat for funds for the Palestinian "late claims" programme for 2002. At the meeting the secretariat informed the Committee that the number of claims received by the Commission under the special "late claims" programme (approximately 40,000 category C and D claims) is much greater than was originally anticipated, that the scope of work has far exceeded available resources, and that additional funds are necessary to continue the processing of claims under the programme. Following discussion the Committee approved, by consensus, the request of the secretariat for additional funds for the programme, for the remainder of 2002, in the amount of $727,190. The Committee also decided to hold its next meeting on 27 November 2002. The report of the Committee on Administrative Matters to the Governing Council will be sent with the original of this letter.

Finally, the Governing Council decided to hold its forty-sixth session from 10 to 12 December 2002.

To date, the Commission has awarded compensation of approximately $43.6 billion, including the awards approved at the forty-fourth session, and over $15.5 billion of the amounts awarded have been made available to Governments and international organizations for distribution to successful claimants in all categories of claims. The payments to successful claims approved by the Council at the forty-fifth session will be made in the next round of payments, scheduled for 24 October 2002, in accordance with Governing Council decision 100.

(*Signed*) Sverre Bergh **Johansen**
President of the Governing Council

Annex I

Summary of recommendations

A. Report and recommendations made by the D2 Panel of Commissioners concerning part one of the fourteenth instalment of individual claims for damages above $100,000 (category D claims) (S/AC.26/2002/21)

Country	*Number of claims recommended for payment*	*Number of claims not recommended for payment*	*Amount of compensation claimed (US$)*	*Amount of compensation recommended (US$)*
Austria	1	-	148 866.98	104 285.26
Canada	4	1	1 454 752.70	104 771.93
Jordan	46	8	27 088 891.36	6 988 970.08
Kuwait	224	-	107 916 461.23	77 258 774.72
Pakistan	1	-	1 149 147.10	769 226.76
Syrian Arab Republic	14	2	5 632 737.16	1 802 986.43
Total	**290**	**11**	**143 390 856.53**	**87 029 015.18**

B. Report and recommendations made by the Panel of Commissioners concerning the eleventh instalment of E2 claims (S/AC.26/2002/22)

Country	*Number of claims recommended for payment*	*Number of claims not recommended for payment*	*Amount of compensation claimed (US$)*	*Amount of compensation recommended (US$)*
Austria	1	2	1 386 296	8 512
Belgium	1	-	18 875 000	3 975 000
China	5	7	62 082 276	370 169
Cyprus	-	1	131 992	nil
Czech Republic	1	1	129 908 809	8 648 305
Denmark	-	1	1 107 557	nil
Egypt	3	21	9 871 436	125 513
France	1	-	752 778	188 544
Germany	16	14	78 513 189	19 834 674
Greece	1	-	11 097	11 097
India	7	6	477 386	140 730
Ireland	-	2	6 780 212	nil
Italy	1	7	2 362 741	8 599
Japan	1	-	7 704 888	1 808 189
Netherlands	8	5	20 939 588	2 443 781
Pakistan	3	1	7 272 457	1 309 097
Saudi Arabia	-	1	82 777	nil
Singapore	-	2	593 040	nil
Spain	1	-	454 267	3 011

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Switzerland	6	4	11 086 463	1 511 794
Tunisia	1	1	1 515 970	628 385
Turkey	8	7	6 469 831	520 361
United Kingdom	31	21	39 793 651	5 125 765
United States	7	4	4 196 578	1 493 983
Yemen	1	-	578 133	287 290
Total	**104**	**108**	**412 948 412**	**48 442 799**

C. Report and recommendations made by the Panel of Commissioners concerning the twenty-fourth instalment of E3 claims (S/AC.26/2002/23)

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Bangladesh	1	1	24 034 180	2 561 779
Croatia	1	1	9 432 508	105 027
Egypt	1	-	4 050 146	25 000
Germany	-	1	2 800 503	nil
India	-	1	535 121	nil
Italy	-	2	1 875 515	nil
Pakistan	1	-	1 238 966	3 000
United Kingdom	-	1	1 847 437	nil
United States	1	-	108 401	40 160
Total	**5**	**7**	**45 922 777**	**2 734 966**

D. Report and recommendations made by the Panel of Commissioners concerning the twenty-second instalment of E4 claims (S/AC.26/2002/24)

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Kuwait	133	6	138 866 619	58 718 327

E. Report and recommendations made by the Panel of Commissioners concerning the twenty-fourth instalment of E4 claims (S/AC.26/2002/25)

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Kuwait	149	2	202 869 180	84 468 462

F. Report and recommendations made by the Panel of Commissioners concerning the second instalment of F4 claims (S/AC.26/2002/26)

Country	*Number of claims recommended for payment*	*Number of claims not recommended for payment*	*Amount of compensation claimed (US$)*	*Amount of compensation recommended (US$)*
Australia	1	1	20 099	7 777
Canada	2	-	1 252 329	529 923
Germany	4	-	28 717 109	2 038 256
Iran (Islamic Republic of)	1	3	64 315 474	67 587
Kuwait	1	-	715 344 545	694 375 281
Netherlands	-	1	1 974 055	nil
Saudi Arabia	5	1	49 798 279	8 291 221
United Kingdom	1	-	2 219 315	1 891 857
United States	7	2	9 119 329	3 885 835
Total	**22**	**8**	**872 760 534**	**711 087 737**

G. Report and recommendations made by the Panel of Commissioners concerning the third instalment of E/F claims (S/AC.26/2002/27)

Country	*Number of claims recommended for payment*	*Number of claims not recommended for payment*	*Amount of compensation claimed (US$)*	*Amount of compensation recommended (US$)*
Australia	-	1	26 868 495	nil
Cyprus	1	1	17 826 255	840 698
Czech Republic	-	1	52 230 381	nil
Finland	1	-	107 020 227	153 480
France	2	-	13 145 746	1 483 369
Germany	1	25	4 438 613 502	866 241
Greece	-	1	741 847	nil
Israel	-	1	11 000 000	nil
Total	**5**	**30**	**4 667 446 453**	**3 343 788**

Annex II

Documents before the Compensation Commission at its forty-fifth session

1. Report and recommendations made by the D2 Panel of Commissioners concerning part one of the fourteenth instalment of individual claims for damages above $100,000 (category D claims) (S/AC.26/2002/21).

2. Decision concerning part one of the fourteenth instalment of individual claims for damages above $100,000 (category D claims) (S/AC.26/Dec.166 (2002)).

3. Report and recommendations made by the Panel of Commissioners concerning the eleventh instalment of E2 claims (S/AC.26/2002/22).

4. Decision concerning the eleventh instalment of E2 claims (S/AC.26/Dec.167 (2002)).

5. Report and recommendations made by the Panel of Commissioners concerning the twenty-fourth instalment of E3 claims (S/AC.26/2002/23).

6. Decision concerning the twenty-fourth instalment of E3 claims (S/AC.26/Dec.168 (2002)).

7. Report and recommendations made by the Panel of Commissioners concerning the twenty-second instalment of E4 claims (S/AC.26/2002/24).

8. Decision concerning the twenty-second instalment of E4 claims (S/AC.26/Dec.169 (2002)).

9. Report and recommendations made by the Panel of Commissioners concerning the twenty-fourth instalment of E4 claims (S/AC.26/2002/25).

10. Decision concerning the twenty-fourth instalment of E4 claims (S/AC.26/Dec.170 (2002)).

11. Report and recommendations made by the Panel of Commissioners concerning the second instalment of F4 claims (S/AC.26/2002/26).

12. Decision concerning the second instalment of F4 claims (S/AC.26/Dec.171 (2002)).

13. Report and recommendations made by the Panel of Commissioners concerning the third instalment of E/F claims (S/AC.26/2002/27).

14. Decision concerning the third instalment of E/F claims (S/AC.26/Dec.172 (2002)).

15. Special report and recommendations made by the E4 and E4A Panels of Commissioners concerning overlapping claims (S/AC.26/2002/28).

16. Decision concerning the special report on overlapping claims (S/AC.26/Dec.173 (2002)).

17. Nineteenth report of the Executive Secretary pursuant to article 41 of the Provisional Rules for Claims Procedure (S/AC.26/2002/29).

18. Decision concerning corrections of awards pursuant to article 41 of the Provisional Rules for Claims Procedure (S/AC.26/Dec.174 (2002)).